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FM AMEMBASSY KATHMANDU
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INFO RUEHB/AMEMBASSY BEIJING PRIORITY 7216
RUEHLM/AMEMBASSY COLOMBO PRIORITY 7555
RUEHKA/AMEMBASSY DHAKA PRIORITY 2893
RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 5593
RUEHLO/AMEMBASSY LONDON PRIORITY 6699
RUEHNE/AMEMBASSY NEW DELHI PRIORITY 3355
RUEHCI/AMCONSUL KOLKATA PRIORITY 4855
RUEHGV/USMISSION GENEVA PRIORITY 2470
RUCNDT/USMISSION USUN NEW YORK PRIORITY 3745
RUEKJCS/SECDEF WASHDC PRIORITY
RHMFIS/CDR USPACOM HONOLULU HI PRIORITY
RUEAAIA/CIA WASHDC PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RHEFDIA/DIA WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 001090

SIPDIS

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TAGS: [PGOV](#) [KDEM](#) [NP](#)

SUBJECT: NEPAL: FORMIN SAYS SOME PROGRESS ON PEACE PROCESS

REF: STATE 119813

Classified By: Charge d'Affaires, a.i., Randy W. Berry. Reasons 1.4 (b/d).

¶1. (C) Summary. In response to ref A demarche, DeputyPM and FM Sujata Koirala was optimistic that the three major political parties, including the Maoists, would soon create a "high-level political mechanism," but was less confident that the mechanism would lead to progress on the peace process. Under the watchful eye of the DeputyPM's father, G.P. Koirala, the Nepali Congress was also working to resolve the long-running dispute with the Maoists over the President's move to reinstate Chief of the Army Staff Katawal. End Summary.

¶2. (C) During a November 25 meeting with Deputy Prime Minister and Foreign Minister Sujata Koirala, Charge expressed concern about the ongoing political stalemate in Nepal and urged the Government of Nepal to demonstrate maximum flexibility in reaching a political agreement with the Maoists (ref A). He called on Nepal's leaders to exercise leadership and reach consensus on the completing the peace process.

Optimistic on High-Level Mechanism

¶3. (C) DepPM Koirala agreed on the value of involving all parties in the government, including the Maoists ("we have to bring them in"). Without Maoist participation, implementation of the Comprehensive Peace Agreement "cannot move forward," Koirala said. She was optimistic that Nepal's political leaders would soon create the long-rumored "high-level political mechanism," although less confident that the mechanism will lead to political progress. The position of the current head of the governing coalition, the Communist Party of Nepal-United Marxist Leninist (UML), on the high-level mechanism is "unclear," but Koirala was optimistic that UML leader Khanal would support it. Maoist leader Dahal "Prachanda" is "ready to join" the mechanism, but "this Prime Minister (PM Nepal) makes it difficult." (Note: at the end of the meeting, Koirala sharply criticized the PM and fellow Nepali Congress party officials (septel). End Note.)

Also Need to Middle Way on Civilian Supremacy

¶4. (C) In addition to the high-level political mechanism,

DepPM Koirala said that progress on the "civilian supremacy issue" was critical. (Note: In May, Yadav overturned then PM Dahal's decision to fire Chief of the Army Staff Katawal, leading to Dahal's resignation. The Maoists have charged that Yadav's action violated "civilian supremacy," a meaningless mantra repeated by Maoists. End Note.)

Koirala's father, Nepali Congress President G.P. Koirala, has urged Maoist leader Prachanda and President Yadav to "find a middle way" to resolve the long-running dispute. Senior Nepali Congress official and former Home Minister Krishna Sitaula and Maoist leader Baburam Bhattarai are meeting to find this long-sought "middle way," ensuring that the Maoist concerns are addressed without "humiliating" the President. Prachanda and the President have also met to reduce tensions.

UNMIN, Bhutan, Singh, Copenhagen

15. (C) On other foreign policy issues, Koirala said she has not discussed the extension of UNMIN's mandate with PM Nepal, so did not have an official position. Due to her father's health, Koirala has also not had an opportunity to follow-up on her commitment to reach out to Royal Government of Bhutan on the return of Bhutanese refugees living in Nepal, as she promised visiting PRM PDAS Whitten (ref B). Charge reiterated U.S. opposition to the promotion of General Toran Singh due to human rights concerns, a view the DepPM was well aware of. Finally, Koirala reported that she will attend the upcoming BIMSTEC summit in Burma and the Copenhagen climate change summit.

KATHMANDU 00001090 002 OF 002

Comment

16. (C) DeputyPM Koirala owes her political position to her father, G.P. Koirala, and her views likely reflect his. The senior Koirala seeks to play the role of political godfather, pulling the Maoists back into the political process, both to secure his legacy and promote his only child Sujata. However, Koirala no longer carries the political weight he once did, in his party and out, and it is unclear whether his "high-level political mechanism" will come to fruition, and even if it does, whether it will lead to concrete progress on the tough peace process issues.

BERRY